

A Practical History of Financial Markets Toronto 8-9th April

Monday 8th April

07.45-08.00 Coffee/tea and breakfast buffet

08.00-08.15 Introduction to the course by Russell Napier

Module I- Valuing Stock Markets- Derry Pickford & Stephen Wright

08.15 - 9.45 Session 1

Introduction

Value

Long-term Stock Returns and Two Remarkable Features

Hindsight Value and the Value of Hindsight

9.45 - 10.15 Coffee and Group Work

10.15 - 10.45 Review of Group Work

10.45 - 12.15 Session 2

Can Markets be Valued? The Five Key Tests

Applying the Tests:

- a) The Dividend Yield
- b) Redefining Dividends: the "Cash Flow Yield"
- c) The Price-Earnings Multiple

12.15 - 13.15 Lunch

13.15-13.30 Review of Group Work II

13.30 -14.30 Session 3

Applying the Tests, continued

- d) Adjusting the P/E
- e) Yield Gaps and Yield Differences

14.30 – 14.45 Coffee

14.45 – 15.30 Session 4

Applying the Tests, continued

- f) "q"

15.30-15.45 Group Work III

15.45-16.15 Review of Group Work, Overview and Q&A

Module II- Investing in Periods of Inflation, Disinflation and Deflation- Peter Warburton

16.15-17.15 Session I

Introduction

Characterisations and stages of a domestic inflationary process

International determination of inflation

17.15-17.45 Break-out session I and review

The Great German Weimar Inflation 1918-1923

17.45-18.30 Session II

Investment Returns in different inflationary climates

18.35-19.15 Break-out session II and review

US equity investing during the Great Depression

19.15-20.00 Session III

Where now for global inflation?

Tuesday 9th April

07.45-08.00 Coffee/tea and breakfast buffet

Module III- Monetary Theory of Asset Prices- John Greenwood

08.00–09.30 Session I:

The Monetary Theory of the Business Cycle & Asset Prices

How money is created; how money grows in normal times

Central Bank Balance Sheet Transactions

How the money supply behaves in abnormal times

The growth of shadow banks and non-bank credit

US, UK, Eurozone and Japanese money supply & capital markets

09.30–09.40 Coffee Break

09.40–10.30 Session II:

Measuring Money and Credit

Broad money and its 'counterparts'

The demand for money and changes in velocity

The Impact of Fluctuations in Money and Credit

The Impact of Different Exchange Rate Regimes – Fixed, Managed & Floating -- on Money Creation and Growth

Money supply and asset prices in different countries
Printing-press money versus fountain-pen money

10.30–10.40 Coffee Break

10.20–11.20 Session III:
Financial Bubbles and Busts
Two Overlapping Bell Curves and the Three Phases
Bubbles, practical examples
Debt-deflation, practical examples
The Importance of Balance Sheet Repair

11.20–11.30 Coffee Break

11.30–12.15 Session IV:
The Data on Money and Credit
Overview of current data on money and credit
Single country versus multi-country measures
Divisia measures of money and their usefulness
Overall conclusions

12.15–1330 Session V:
Money, Credit and Asset Prices 2016- Russell Napier

13.30–14.15 Lunch

MODULE IV	Behavioural Finance - Herman Brodie
14.15 - 15.25	How finance got behavioural Schemas and heuristics Prospect Theory (part 1)
15.25 - 15.40	Coffee break
15.40 - 16.50	Prospect Theory (part 2) Cognitive Dissonance
16.50 - 17.30	Group work – “Analysis of an investor” Debriefing
17.30 - 18.00	Discounting Adaptation
18.00 - 18.30	Group work – “The Pension Crisis”
18.30 - 18.45	Tips & Tricks Q & A

Module V- Russell Napier

18.45-19.30 Mean reversion of Equity Valuation

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